



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Color County District
Henry Mountains Field Station
P.O. Box 99

380 South 100 West
Hanksville, Utah 84734
Telephone (435) 542-3461
Fax (435) 542-3016

<http://www.blm.gov/ut/st/en/fo/richfield.html>



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MAR 30 2015

DIV. OF OIL, GAS & MINING

In Reply Refer To:
3809
(LLUTC021)
UMC-366008

March 26, 2015

CERTIFIED MAIL NO. 7012 2210 0001 7985 6210
CERTIFIED MAIL – RETURN RECEIPT REQUESTED

James Morrow
64 County Road 84G
Santa Fe, NM 87506-9722

Dear Mr. Morrow:

This letter is written to follow up on the *Immediate Temporary Suspension Order* (Suspension Order) requiring you to suspend unauthorized operations at the mine site at NW $\frac{1}{4}$, sec. 9, T. 27 S., R. 7 E., Salt Lake Meridian. The suspension order was delivered to you at a meeting on November 12, 2014, held in this office and by certified letter dated November 6, 2014. The unauthorized mining operations were being conducted at the Selenite Mine II, claim number UMC-366008.

The unauthorized operations involved the mining of gypsum, which appears to be selenite. As stated in the federal regulations, the characteristics of a locatable mineral include:

43 CFR 3830.12(a)(1)—“Minerals are locatable if they * * * [are] (r)ecognized as a mineral by the scientific community.”

43 CFR 3830.12(e)—“Gypsum suitable for the manufacture of wall board or plaster, or uses requiring a high state of purity, is subject to location under the mining laws.”

Based on the information available to the Bureau of Land Management (BLM) at this time, the mineral involved may meet the regulatory statements of being mineral as recognized by the scientific community and being a high state of purity of gypsum. The use and market value for

the mineral must also be based on those properties, not simply present in the mineral. As stated by you, uses of the mineral in question have included mineral specimens and products such as tables, bowls, and dietary supplements. Depending on use and market value, gypsum could be marketed as common variety mineral. Plans of operations for locatable minerals, i.e. uncommon varieties, are properly processed under the federal regulations at 43 CFR 3809. If the minerals are salable, i.e. common varieties, then the minerals are disposed through a sale contract with the BLM under the regulations at 43 CFR 3600.

Procedures for Plans of Operations Involving Possible Common Variety Minerals

When mining operations may involve a common variety mineral, then BLM must review a proposed notice or plan of operations under the special provisions of 43 CFR 3809.101. You must not initiate operations under the mining laws for minerals that may be common varieties, until BLM prepares a mineral examination report. The mineral examination and the associated report are subject to processing fees as required at 43 CFR 3800.5 and 3000.11. The regulations at 3809.101(b) allow for an interim authorization, where under the specified conditions, BLM may allow notice-level operations or approve a plan of operations. The approval of a plan of operations as an interim authorization requires the establishment of an escrow account with regular payments for the removal of possible common variety minerals, while a mineral examination report is being prepared. The processing fees would include the cost for determining the appraised value of the possible common variety mineral.

If a mineral examination report is necessary to determine whether the mineral is a common variety and if the conclusion in that report is the mineral is a common variety, you may relinquish the mining claim or BLM will initiate contest proceedings against the disputed mining claim. Upon relinquishment or a final departmental determination that the mining claim is null and void, you would be required to promptly close and reclaim any operations under an interim authorization, unless you are authorized to proceed under 3600 and 3610. Monies in an escrow account would be disbursed to the U.S. If the conclusion in the mineral examination or if the final department determination is the mineral(s) is an uncommon variety, you would be allowed to conduct operations under the mining laws and monies in an escrow account would be disbursed to the payer.

Request for Data for the Subject Mineral Deposit

At this time, you are requested to provide data with respect to your selenite (gypsum) deposit that demonstrates the mineral is locatable. This information is requested to facilitate an evaluation by BLM as to whether a mineral examination is necessary under the regulations at 43 CFR 3809.101. This information would include:

1. A description of the mineral that would be mined and its characteristics.
2. What are the proposed market uses of the mined material?
3. What is the f.o.b. quarry price for the mined material? Do you have a wholesale price list for quarried products?

4. After mining, what additional processing is completed to the quarried product for marketing?
5. What are the market prices for the processed material?
6. What are the costs for mining and processing?

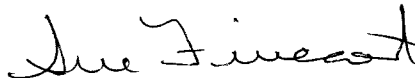
If you submit information that you believe is proprietary or confidential, then you should review 43 CFR § 3809.111 and appropriately mark any confidential information.

Plan of Operations

A plan of operations will be required for BLM to consider approval of any mining-related operations. A format for a plan of operations is enclosed. Filing such a plan at this time will be subject to the special provisions of 43 CFR 3809.101.

At your convenience, you may arrange a meeting with us at this office, including an on-site visit to the unauthorized quarry. Please contact John Reay at 435-542-3461 if you desire such a meeting.

Sincerely,



Sue Fivecoat
Assistant Field Manager

Enclosure:

Plan of Operations for Activity under the Surface Management Regulations at 43 CFR 3809

cc: Wayne Western, UDOGM ✓